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Savings Available by Using Airline Discount Fares. FGMSD-77-67;  
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Report by Elmer B. Staats, Comptroller General.

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Authority: F.T.R. (FPMR 101-7), sec. 1-3.4. Military Traffic  
Management Regulations, ch. 304, para. 304002.

A substantial savings could be achieved by Federal employees' use of airline discount fares rather than regular coach class air fares when feasible. Most major airlines offer discount fares that are about 15 to 35% lower than coach class fares. Findings/Conclusions: Despite regulations requiring the use of special lower fares when practical, most agencies are not taking advantage of these fares. One of the most frequently missed discount fares is the round trip excursion fare. Restrictions requiring that reservations be confirmed at least 14 days in advance prevent some travelers from using these fares in spite of the fact that there is no penalty for canceling or changing these reservations. In cases such as travel for courses, seminars, and conferences, travel dates are known at least 14 days in advance and excursion fares can be utilized. Savings can also result from use of group fares. Federal travel office personnel, who are aware of discount fares, do not always use them because of late travel requests. At some agencies, travelers who were not aware of discount fares made their own reservations. Several million dollars annually were believed to be lost by the Government because of failure to take advantage of discount fares. Recommendations: The use of airline discount fares should be reviewed at agencies and the potential for savings communicated to personnel. Employees should be required to use the services of travel office personnel. (HTW)

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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

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August 25, 1977

HEADS OF DEPARTMENTS, AGENCIES, AND OTHERS CONCERNED:

SUBJECT: SAVINGS AVAILABLE BY USING  
AIRLINE DISCOUNT FARES

This memorandum is to bring to your attention the potential for immediate savings by informing your employees that they should use airline discount fares when feasible rather than regular coach-class air fares.

Most major airlines offer discount fares that are about 15 to 35 percent lower than coach-class fares. Section 1-3.4 of the Federal Travel Regulations and chapter 304, paragraph 304002, of the Military Traffic Management Regulations require the use of special lower fares when practical. We are making a Government-wide review of the use of established teleticketing procedures, which are intended to simplify the Government's accounting for and payment of airline tickets. In visiting 20 departments and agencies in the Washington, D.C., area as well as field offices of 40 departments and agencies, we determined that most agencies are not taking advantage of these lower air fares.

One of the most frequently missed discount fares is the round-trip excursion fare. Excursion fares generally are available when

--reservations are confirmed and tickets are purchased at least 14 days before departure,

--only a maximum of two stopovers (including the destination) are scheduled, and

--the travel period is for at least 7 but not more than 30 days.

The restrictions requiring that reservations be confirmed at least 14 days in advance prevent some travelers from using excursion fares because travel plans are not always firm that far in advance. However, it is important to note that there is no penalty for canceling or changing a reservation made to take advantage of the excursion rate. The fare would revert to the coach fare, and a new ticket would be obtained.

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Much of the travel by Federal employees, especially that connected with training courses, seminars, and conferences, qualifies for excursion fares, because travel dates usually are known at least 14 days in advance. Thus, sizable savings could result. Also, each summer many thousands of military reservists receive active-duty training for a 2-week period. The reservists usually are notified of their training dates several months before departing for summer camps and thus could in many cases obtain excursion fares.

Savings also can accrue to Federal agencies by using group fares rather than coach-class fares. Group fare requirements vary by airline and by flight and are usually more restrictive than requirements governing excursion fares. The discounts, however, are generally greater than excursion fares (up to 35 percent of coach-class fares).

Federal travel office personnel are aware of discount air fares but have not always used them because travelers requested airline tickets too late to take advantage of the discounts. Also, at agencies where travelers made their own reservations, discount fares generally were not obtained apparently because travelers were not aware of them.

We believe that several million dollars is being lost annually Government-wide because travelers and travel offices are not taking advantage of discount fares, even though Government regulations require them to do so.

A draft of this memorandum was furnished to the General Services Administration for comments. The Director of the Federal Travel Management Division responded:

"Our Government-wide responsibilities in developing and prescribing per diem, travel, transportation, and relocation allowances for civilian Federal employees includes traffic management programs and procedures for procuring passenger services from the carrier industry.

"In the Federal Travel Regulations (FPMR-101-7), as well as in information bulletins issued to assist agencies in these matters, we direct the use of special, commutation, excursion, and reduced round-trip fares for official travel and even group or charter arrangements \* \* \*.

"We believe the subject of your memorandum will place greater emphasis on the use of such fares and will produce significant savings on a Government-wide basis. More and more special or reduced fares are being offered by the carrier industry and we fully support your proposal in this regard."

I suggest you review the use of airline discount fares in your agency and communicate to your personnel the potential for additional Government savings by increased use of these fares. Also, because travel office personnel are generally more knowledgeable about available discounts, your employees should be required to use their services when appropriate.



Comptroller General  
of the United States